(c) and (d) Yes, Sir. The Life Insurance Corporation of India (Agents) Rules, 1972 which contains terms and conditions of service of agents have been revised by the Central Government under Section 48(2) (cc) of Life Insurance Corporation Act, 1956. The amendments in LIC (Agents) Rules 1972 were made with the objective to achieve growth, productivity and retention of agents by arresting the trend of termination of their services.

(e) No, Sir.

(f) and (g) Does not arise.

Non-declaration of dividends by Mutual Fund Companies

2042. SHRI VARINDER SINGH BAJWA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that large number of Mutual Funds have not declared dividend for years inspite of their earnings being more than 10 per cent for a particular year/ period;

(b) if so, the reasons therefor and the number thereof for the last three years ending 30 November, 2009; and

(c) what type of supervision is exercised by Securities and Exchange Board of India (SEBI) on such mutual funds to ensure that the small investors get dividends which are due on a regular basis?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) to (c) As per extant SEBI regulations, it is not mandatory for mutual fund schemes to provide for and to declare dividend. A mutual fund may declare dividend in accordance with the offer document and subject to specified guidelines. The quantum of dividend is fixed by trustees and is paid subject to availability of distributable surplus.

According to SEBI regulations a mutual fund may declare dividend after making appropriate disclosure through notice or advertisements where applicable as per SEBI regulations. Every mutual fund and Asset Management Company is required to dispatch to the unit holders the dividend warrants within 30 days of the declaration of the dividend.

Cut in lending rates by banks

2043. SHRIMATI T. RATNA BAI: Will the Minister of FINANCE be pleased to state:

(a) whether Government has asked the public sector banks to examine the possibility of cutting lending rates in the present period of recession;

(b) if so, the details thereof; and

(c) how the common man especially the Below Poverty Line (BPL) families would benefit from such measures in the country especially the SC/ST people?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) In response to cut in Policy Rates by the Reserve Bank of India (RBI) and the comfortable liquidity position, the Public Sector Banks (PSBs) have reduced their lending rates. According to the 2nd Quarter Review of Monetary Policy by the RBI, the PSBs reduced their Benchmark Prime Lending Rates (BPLRs) by 125-275 basis points as on 15th October, 2009 over the corresponding period of last year.

(c) As a measure to ensure that credit flows to the common man and the BPL families at reasonable rates, interest is capped at BPLR for loans upto Rs.2 lakhs. In addition, there are special credit linked poverty alleviation programmes with sub-targets for SCs/STs through which credit is disbursed at subsidised rates to benefit poor families. These include, among others, Differential Rate of Interest (DRI) Scheme, Swarnajayanti Gram Swarozjar Yojana (SGSY), Prime Minister's Employment Generation Programme (PMEGP), etc.

Housing loan by LICHFL

2044. SHRI AMIR ALAM KHAN: Will the Minister of FINANCE be pleased to state:

(a) the total housing loan sanctioned and disbursed by the Life Insurance Corporation Housing Finance Ltd. (LICHFL) during the years 2008 and 2009 till date in the country especially for Delhi zone;

(b) whether the LICHFL is charging a processing and documentation fee @ 1 per cent from the applicants for home loans;

(c) if so, the details thereof;

(d) whether the LICHFL offers any discount in the processing and documentation fee to the Government servants, autonomous bodies, corporate clients and PSU employees;

(e) if so, the details thereof;

(f) whether there are different slabs of fee for officer category and staff category employees of these organizations;

(g) whether LICHFL proposes to refund the excess fee charged from these categories of people; and

(h) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) As per the information provided by LICHFL, total housing loan sanctioned and disbursed during 2008 and 2009 (up to 31.10.2009) in the country and for Delhi zone is as per statement given in the Statement. (*See* below)

(b) and (c) As is the industry practice, LICHFL charges the normal processing fee @ 1% of the sanctioned loan. This has the approval of the Board of the Company.

(d) and (e) Employees of large organizations in the approved list of LICHFL are charged 50% of normal processing fee irrespective whether they belong to Government/Public Sector or